



PO Box 496 • 215 South Cascade Street • Fergus Falls, MN 56538-0496

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October 8, 2007

Mr. Kyrik Rombough  
Air Quality Program  
South Dakota Department of Environment  
and Natural Resources  
Joe Foss Building  
523 East Capitol  
Pierre, SD 57501-3181

RECEIVED

OCT 10 2007

AIR QUALITY  
PROGRAM

Dear Mr. Rombough:

Subject: Prevention of Significant Deterioration Construction Permit Application  
Big Stone II – Ownership Change

The purpose of this letter is to document the change in ownership in the Big Stone II project for purposes of the PSD Construction permit Application as updated June of 2006.

Effective September 21, 2007, the application is being made by Otter Tail Power Company on behalf of the Project Co-Owners:

- Central Minnesota Municipal Power Agency (CMMPA);
- Heartland Consumers Power District (HCPD);
- Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (MDU);
- Otter Tail Corporation dba Otter Tail Power Company (OTP); and
- Western Minnesota Municipal Power Agency (WMMPA).

As a result of the ownership change and other project considerations, the unit design electrical output will be a maximum net output of 600 megawatts. The Application Forms as previously submitted remain unchanged.

The General Information Form and Certification of Application Form are also enclosed.

Sincerely,

Perry Graumann  
Manager, Environmental Services

Enclosures



**Air Quality Permit Application Form  
Title V (Part 70) Operating Permit**

**General Information Form  
And  
Certification of Applicant Form**

**SEND ALL MATERIALS TO:**

SD Department of Environment and Natural Resources  
Air Quality Program  
523 East Capitol  
Pierre, South Dakota 57501-3181

(Please complete shaded areas - if you have questions call (605) 773-3151)

**A. GENERAL INFORMATION**

If permit is being renewed or amended, give existing permit number:	28.0801-29
1. Facility name:	Big Stone Power Plant
2. Mailing address:	
Street and/or box number	215 South Cascade Street
City, state, zip code	Fergus Falls, MN 56537
3. Facility location (if plant is portable, enter location at time of submittal):	
Street and city	Big Stone City
Legal description and county	Grant County
(Quarter, Section, Township, Range)	
4. Permit contact:	
Name/title	Terry Graumann, Manager Environmental Services
Telephone number	218-739-8407
5. Facility contact, if different than permit contact (Person to contact for arranging inspections):	
Name/title	
Telephone number	
6. Responsible official:	
Name/title	Terry Graumann, Manager Environmental Services
Telephone number	218-739-8407

**A responsible official is defined as a president, vice president, secretary, or treasurer for a corporation; general partner or the proprietor for a partnership; and principal executive officer or ranking elected official for municipal, state, federal or public agency.**

## B. PLANT DESCRIPTION

1. Standard Industrial Classification Code (SIC code):

Primary SIC code: 4911

Secondary SIC code (if applicable):

**Please contact the Department if unable to determine your SIC code.**

2. Briefly describe the operations at the facility, including raw materials and finished products:

Coal Power Plant. The plant is used to produce electricity.

**Please attach one copy, if available, of any prepared plans and the manufacturer's specifications of any equipment, including pollution control devices. If additional space is needed to describe operations, please attach the additional paper to this application.**

3. A new source or modification to an existing source is required to demonstrate that the operation of the new source or modification will not prevent or interfere with the attainment or maintenance of an applicable ambient air quality standard. Please attach air dispersion modeling or other documents that will demonstrate the new source or modification will not prevent or interfere with the attainment or maintenance of an applicable ambient air quality standard.

Has air dispersion modeling been conducted (please check one)?

☒

Yes

☐

No

**If air dispersion modeling has been conducted, please attach a copy of the report to this application unless the Department has a copy already.**

## C. COMPLIANCE PLAN

If it is anticipated that a permitted unit will not be operating in compliance at the time of permit issuance, a proposed compliance plan shall be included with the application. The proposed compliance plan shall include a narrative description of the following:

1. The requirements (i.e., statutes, air quality rules, permit conditions, etc.) the source is not in compliance with at the time of submittal of this application or permit issuance;
2. How the facility intends to bring the unit(s) into compliance; and
3. A compliance schedule for when the source will achieve compliance with such requirements;

The compliance schedule must include a statement that progress reports will be submitted at least once every six months and must be at least as stringent as that contained in any judicial consent decree or administrative order to which the applicant is subject.

## D. MAPS

**For stationary sources only**, please enclose a map or a drawing showing roadways, location of plant and the nearest residents in each direction from the source. Include other structures, which may be affected.

## E. AIR QUALITY EMISSIONS SUMMARY

If air quality emissions are available, please complete the following table:

	Actual	Potential Controlled	Potential Uncontrolled
Pollutant	(tons per year)	(tons per year)	(tons per year)
Particulate	See Attached		
Sulfur Dioxide			
Nitrogen Oxide			
Carbon Monoxide			
Volatile Organic Compounds			
Hazardous Air Pollutants (if applicable)			

Remember that potential emissions are calculated assuming that the permitted unit is operated 24 hours per day, 7 days per week, 52 weeks per year at maximum design capacity. Attach all calculations, MSDS sheets for all products containing volatile organic compounds and/or hazardous air pollutants, and other supporting documentation.

**Please contact the Department if assistance is needed for calculating emissions for the permitted units such as emission factors, clarifying what potential emissions are, efficiency for control equipment, etc.**

## F. ADDITIONAL FORMS

The following forms must be completed for each piece of specific equipment at the facility and submitted with this form:

Boiler  
Miscellaneous Process

Incinerator  
Paint Booth

Kiln Dryer  
Storage Tank

The following forms must be completed for each piece of specific air control equipment at the facility and submitted with this form:

Baghouse  
Miscellaneous Control

Cyclone  
Thermo Oxidizer

Electrostatic Precipitator  
Wet Scrubber

**G. CERTIFICATION OF COMPLIANCE**

I certify the following:

1. The methods such as monitoring, record keeping, reporting, and stack test performance results described within this application shall be used to determine continuous or intermittent compliance;
2. A compliance certification document will be submitted to the Department at least annually or at other times designated by the Department for the duration of the permit;
3. The source is in compliance and will continue to demonstrate compliance with all applicable requirements, except for those designated in the attached compliance plan (if applicable); and
4. This application is submitted in accordance with the provisions of the South Dakota Codified Laws 34A-1 and Administrative Rules of South Dakota 74:36. To the best of my knowledge, after reasonable inquiry, the statements and information contained in the application and supporting documents are true, accurate, and complete. In accordance with South Dakota Codified Laws 1-40-27, I have also enclosed a completed Certification of Applicant form.

Signature:

Print Name:

	
Terry Graumann	Date

Responsible Official



## CERTIFICATION OF APPLICANT

(please complete shaded areas - if you have questions call (605) 773-3151)

In the Matter of the Application of	Big Stone Power Plant (Facility Name)
State of	South Dakota
County of	Grant

I, Terry Graumann, the applicant in the above matter after being duly sworn upon oath hereby certify the following information in regard to this application:

South Dakota Codified Laws Section 1-40-27 provides:

*"The secretary may reject an application for any permit filed pursuant to Titles 34A or 45, including any application by any concentrated swine feeding operation for authorization to operate under a general permit, upon making a specific finding that:*

- (1) The applicant is unsuited or unqualified to perform the obligations of a permit holder based upon a finding that the applicant, any officer, director, partner or resident general manager of the facility for which application has been made:*
- (a) Has intentionally misrepresented a material fact in applying for a permit;*
  - (b) Has been convicted of a felony or other crime involving moral turpitude;*
  - (c) Has habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage;*
  - (d) Has had any permit revoked under the environmental laws of any state or the United States; or*
  - (e) Has otherwise demonstrated through clear and convincing evidence of previous actions that the applicant lacks the necessary good character and competency to reliably carry out the obligations imposed by law upon the permit holder; or*
- (2) The application substantially duplicates an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Nothing in this subdivision may be construed to prohibit an applicant from submitting a new application for a permit previously denied, if the new application represents a good faith attempt by the applicant to correct the deficiencies that served as the basis for the denial in the original application.*

All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review, recommendation or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification, consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26."

Pursuant to SDCL 1-40-27, I certify that I have read the forgoing provision of state law, and that I am not disqualified by reason of that provision from obtaining the permit for which application has been made.

Dated this 18<sup>th</sup> day of October, 2007

[Signature]  
Applicant (signature)

Subscribed and sworn before me this:

Dated this 8<sup>th</sup> day of October, 2007

Nancy D. Tollerson  
Notary Public (signature)

My commission expires:

January 31, 2010



(SEAL)

**PLEASE ATTACH SHEET DISCLOSING ALL FACTS PERTAINING TO  
SDCL 1-40-27 (1) (a) THROUGH (e).  
ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT  
AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION.**